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The Political Formula of Costa Rica

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THE POLITICAL FORMULA OF COSTA RICA

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The research to be presented here was intended to demonstrate that only in terms of its political stability can Costa Rica's democratic performance be fully understood.[1] In this research I described what I called the "political formula" of the country. I did not make any attempt to extract a magic formula for providing stability and democracy. Instead, I described mechanisms and functions of stabilization, which may help us understand Costa Rica and offer a new approach to Latin American politics.

In this article, I shall first explain my approach. Second, I shall describe the political formula of the country and how that formula can explain Costa Rica's stability. Third, I shall emphasize a particular mechanism of stabilization that is, in my view, the most interesting lesson one can draw from a study of contemporary Costa Rica, the permanent socialization of the masses. Finally, I shall comment on the way a democracy can remain stable when facing an economic crisis and a hostile international environment.

ABOUT THE APPROACH

The starting point for my investigation was a dissatisfaction with the approaches commonly used to explain Costa Rica's democratic performance, as well as with those used to study Latin American politics in general. Studies concerning Costa Rica are of two kinds: those concerned with the country's history, which use cultural, economic, social and political indicators to draw an irreversible evolution toward an occidental democratic order; and those that take for granted the exceptional nature of the Costa Rican regime and try to enumerate the society's distinctive features. The first type does not explain but rather commemorates, meaning that every historical event is considered as an evolutionary stage. The second type describes social features, but does not explain either.[2]

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[1] See Olivier Dabène, "La formule politique du Costa Rica", PhD diss., Institut d'Etudes Politiques, Grenoble, 1987.

[2] The first approach is the core of official propaganda, but can be found in many studies, such as Juan Bosch, *Una interpretación de la historia costarricense* (San José: Juricentro, 1980); Carlos Monge, *Historia de Costa Rica* (San José: ECR, 1980). The second is typical of the developmental period of political science and is close to tautology: democracy is defined by certain criteria, and those criteria are supposed to explain democracy. See, for instance, James Busey, *Notas sobre la democracia costarricense* (San José: ECR, 1968). Of course, I do not claim that all scholars fit into this rather reductionist categorization. Some, like José Luis Vega Carballo, offer a very complete explanation of Costa Rican democracy: *Poder político y democracia* (San José: Porvenir, 1982), or *Hacia una interpretación del*

Observation of Costa Rica in the 1980s shows how a regime must sacrifice enough democracy to remain stable without damaging its reputation. The political scientist must shift attention from the democratic characteristics of the country to the recipes that are used to preserve stability and to the conditions that can affect that stability.

If we assume that the stability of a polity is the continuity of the elements identifying that polity,[3] we must conclude that an exhaustive description of the system's characteristics must precede any discussion of stability.

The study of a political formula allows us both to present a complete, multidimensional description of a political system and to develop a conceptual schema that can integrate all of these elements into a global explanation of its stability.[4] The idea is to follow the emergence of social conflicts from grass-roots politics up to its influence on the decision making process and to describe how in return the ruling sectors impose their domination.

The study of a political formula includes seven analytical levels: social structure, cultural identification, mobilization, mediation, institutions, decision making, and domination. The first, the grass-roots level, describes the social structure. The historical process of social stratification and the way population is distributed according to demographic, social, and economic factors are studied. The purpose of this type of analysis is to clarify social segmentation. Social mobility is also studied to get an idea of the evolution of the social configuration.

The actors composing the different segments of society may or may not be aware of belonging to a specific social group. Consequently, the second level analyzes cultural identification. In this study I describe the main features of Costa Rica's political culture as well as the feeling of belonging to a social class.

These two levels characterize the social and cultural basis of politics and give us an idea of the objective degree of segmentation a political system has to face.[5] Nevertheless, we cannot say that, for instance, when a social group's living conditions are poor (as measured in terms of loss in purchasing power, or of acquisition of a culture of poverty), the situation automatically leads to violent demonstrations.

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desarrollo costarricense : ensayo sociológico (San José: Porvenir, 1983). For a complete review of available explanations, see Olivier Dabène, "En torno a la estabilidad política de Costa Rica: tres paradigmas, dos conceptos, una fórmula," *Anuario de Estudios Centroamericanos* 12, nº1 (1986): 41–52.

[3] Keith Dowding and Richard Kimber, "The Meaning and Use of 'Political Stability,'" *European Journal of Political Research* 11, nº3 (September 1983): 229–243.

[4] The political formula approach was first partially elaborated by Yves Schemeil in *Sociologie du Système Politique Libanais* (Grenoble: PUG 1976).

[5] See Olivier Dabène, "Las bases sociales y culturales de lo político en Costa Rica," *Revista de Ciencias Sociales* nº31 (March 1986): 67–83.

In this respect, the third level of analysis, political and social mobilization, is a very important one from the theoretical point of view. On the one hand, one must examine how collective actors take action to defend their common interests. On the other, one must describe how the political system impregnates the social fabric. Groups mobilize to defend themselves, but at the same time they are mobilized (or socialized) by the elites who try to organize a consensus and to legitimize themselves. The comparison between the flow coming from the bottom, spontaneous mobilization, and the one coming from the top, organized mobilization, gives an idea of the regulation capacities of a polity.

Social groups that decide to defend their interests seek to send their demands up to the decision makers. At a fourth level, I describe the mediation mechanisms used to transmit the demands. The pressure groups, the unions, and the political parties select the demands they chose to represent, but a complex network of informal mediation mechanisms (kind of an invisible political party) directly satisfies numerous personal needs.

The competition between the parties or the pressure groups and the relations between the government and the governed take place in a legal framework that historical evolution has shaped. At a fifth level, institutions and administrative constraint are described, thereby facilitating comprehension of the system's functioning.

At the sixth level, the observation of the policymaking process teaches us how government reacts to pressure. The rationale that demands the implementation of certain policies reveals the ideological orientation of the decision makers. A glance at the organization of the bureaucracy gives an idea of the actual process of policy implementation, and of dealing with demands.

Finally at the seventh level, we must go back from the top to the bottom to describe the domination process. Three perspectives have been used: the historical (the evolution of the forms of domination), the ideological (the sources of legitimacy used to consolidate domination), and the elite (who governs and with the help of whom).

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Each level contributes significantly to the stabilization (or destabilization) of the system. Let us now characterize the formula and evaluate the stabilizing potentials.

Costa Rica has a history of relatively homogeneous social structure. Poverty was widespread during the colonial period, so *hidalgos* could not base their domination on economic disparities. After independence, the coffee economy fragmented the society but did not horizontally stratify it. On the contrary, the vertical ties typical of a clientelistic society were reinforced by an inseparable couple *patrón/peón* . After the 1948 revolution, redistributive policies and the high cost of education increased

the size of the middle sectors at a time when the closing of the frontier was limiting upward social mobility.

Nevertheless, all of the social indicators I examined evidence a disarticulation of this well-balanced and rather flexible social structure. The fact that the country experienced one of the highest birth rates in the world in the 1960s today constitutes a tremendous handicap. A growing proportion of the population is now marginalized, especially since the economic collapse between 1979 and 1982.[6] About 30 percent of the population is considered "poor," a phenomenon that was unknown in the 1970s. This leads to frustration, and confrontation between classes replaces the faith in progress that characterized the population after 1948. The middle sectors are particularly affected by this feeling of deprivation, having lost 30 percent of their income between 1979 and 1981.

Costa Rica's political culture, a culture of compromise, clearly compensates for this disarticulation. Since colonial times, when poverty forced everybody to compromise, the Costa Ricans have had a tendency to look for compromise to avoid confrontation. This culture has been shaped primarily by the style of social relationships that existed in the countryside between the coffee planter and the *peones*. Compromise was necessary because the *patrón* needed labor for production and stocks held as a guarantee for English creditors, and the *peones* needed extra money so took advantage of high wages. With modernization, clientelism did not disappear. In the 1950s, the Partido Liberación Nacional (PLN) took the place of the traditional *patrón* as a broker between the national political system and the small communities.

Cultural features perpetuate the search for compromise: *choteo* , a kind of mockery of those who break the social norm of coolness; *brochismo*, an attitude of flattery that reactivates clientelistic relationships; or *palanganeo*, a typical manner of bargaining in the decision making process with the sole purpose of satisfying everybody involved (which is, of course, virtually impossible and explains the social deadlock of the society as well as certain foreign policy initiatives). In addition to these stabilizing elements, Costa Ricans have a religious faith in their political institutions. The strong legitimacy of those institutions is fed by continuous propaganda. Clientelism, compromise-oriented culture, and, institutional legitimacy explain why no real confrontation between classes has yet emerged in Costa Rica, although the social structure is getting more and more rigid.

Another dimension of the low-level conflict orientation of Costa Rican society is the population's traditionally weak propensity for mobilization. Costa Ricans are definitely not a people of spectacu-

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[6] On September 18, 1981, Costa Rica officially declared itself bankrupt and stopped making debt payments. The costs of the crisis were not well distributed: the GNP/capita decline was 16.5 percent in 1981–1982, the average salary fell by 44 percent and the 500 percent devaluation of the *colón* favored exporters.

larly violent mobilization; their political participation cannot be reduced to the casting of a ballot every four years, however. It appears that each social group has a particular way of expressing its demands through spontaneous mobilizations. Due to the scarce means of communication, blocking of roads is a very spectacular, although not very efficient, way of protesting, and is used by food producers, as well as by some towns (the second-largest city, Cartago, has been regularly blocking the only road leading to the capital for fifteen years to demand a highway). The private sector usually sends petitions directly to the president to suggest modifications in policy. Students and unions try to organize street demonstrations, but they have not been very successful lately. Land invasion has been a recurrent device for about thirty years, and from time to time rural violence makes the headlines of newspapers in the capital. Plantation workers often go on strike, but not very successfully either. The means of protest appear to be highly segmented and social discontent is dispersed. Union federations never organize unified demonstrations.[7] Recently, however, there is evidence of a multiplication of desperate forms of mobilization, such as hunger strikes and violent land invasions.

Concerning legal participation, it is worth noting the decline of trade unionism. The solidarist associations[8] that are taking the place of unions are a clear manifestation of the conservative shift of Costa Rican society in the eighties.[9] Although the disarticulation of the social structure could strengthen the Left, the contrary is happening. The explanation lies in the ruling sectors' tremendous effort to organize mobilization since 1948, and more recently around the concept of crisis.[10]

The great achievement of contemporary Costa Rica has been to impose a legitimate conception of the polity that includes the delimitation of parallel spaces for possible mobilization. The rhetoric of the crisis helps to find a balance between the obligations of democracy (to open up participation) and

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[7] The last two important mobilizations (apart from the banana strikes) were in 1970, against the Aluminum Company of America (ALCOA), and a march for peace in 1984.

[8] Solidarist associations (*asociaciones solidaristas*) emerged in 1948, in the midst of political turmoils, as an alternative to trade unions. The founder, Alberto Martén, wanted to promote a "pacific revolution" through the union of workers and employers. The solidarist associations he created were like friendly societies, or mutual-aid societies, and brought material benefits to the workers through the constitution of savings banks. Nevertheless it is not until the 1980s that the solidarist movement started to be successful. There were 35 associations in 1950, 98 in 1979, 216 in 1981, 500 in 1983, and 735 in 1984. Moreover, between 1979 and 1981, the number of trade unions declined from 325 to 259. See Gustavo Blanco, *La paradoja solidarista: retos teóricos y prácticos de un movimiento obrero-patronal al movimiento obrero y popular costarricense* (San José: Centro de Formación Costarricense, 1984).

[9] The legal environment has been very favorable to the solidarist associations. Although practically all strikes are declared illegal in Costa Rica and there is no legal protection for unionized workers (*fueros sindicales*), the solidarist associations have been granted special legal status encouraging their activities (Ley solidarista , November 28, 1984).

[10] Since 1948, the Left has been persecuted by the PLN (until 1975, the Communist party was illegal). Nevertheless its semiclandestine nature never led Manuel Mora and his Partido Vanguardia Popular to any guerrilla activities. Because for thirty-five years the PLN defended reform positions, there was little political space left for Mora (see Manuel Solís, *La crisis de la izquiedra costarricense: consideraciones para una discusión* (San José: Centro de Estudios para la Acción Social, 1985).

those of stability (to control spontaneous mobilization), because the limitation of democracy is presented as a condition for stability.

The bodies participating in the mediation process (political parties, unions, pressure groups) are very selective about the demands they choose to represent. Roughly, it can be said that there is an overrepresentation of the middle sectors and that the numerous private sector pressure groups are directly involved in decision making.[11] The demands of the great majority of the people—land and housing—are ignored. Those *sectores olvidados* can nevertheless take advantage of an immense network of informal mediation based on connections at different levels (family, friends, neighbors, brokers, and so forth).

The progressive substitution of unions by solidarist associations tends to diminish the role of the mediation process. Based on an ideology of social harmony, the solidarist movement insists on the complementarity of worker and employer and brings material benefits to the former while ridding the latter of any "politicized" organization inside the production unit. But by doing so, the solidarist movement leaves workers face to face with employers; thus both find themselves in the nineteenth-century situation where the *peón* stood alone in front of the *patrón* and depended on him for his welfare.

The evolution of these associations combined with the direct association of the private sector to the government leaves no space for a mediation process, and access to power is nearly nonexistent for the lower sectors. Should they be able to gain power, the lower sectors probably could not implement the policies they are fighting for, because of the deadlock of the administration and the institutions.

The circumstances of the 1949 regime's emergence (Figueres, who had won the civil war, could not win the majority in the assembly that drafted the constitution) and the heritage of fraudulent elections (the legislative assembly was in charge of the election process during most of the nineteenth century) explain the complexity of the system of checks and balances the 1949 constitution provides. The controlling bodies (supreme court, government controller, electoral tribunal) have great power, which leads to an immobilization of the decision making process that can be compared to a lame-duck presidency.

Both the economic and the foreign policies that I have examined in detail confirm this picture. Nevertheless, there is a significant difference between the decision making structure involved in these two crucial areas and the one involved in social policies. In the latter case, the rationale seems to be to

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[11] Pressure groups such as Coalición Costarricense de Iniciativas de Desarrollo (CINDE), Asociación Costarricense de Gerentes y Empresarios (ACOGE), Asociación Nacional de Fomento Económico (ANFE), Instituto Costarricense del Sector Empresarial (INCOSEM), Unión Costarricense de Cámaras y Asociaciones de la Empresa Privada (UCCAEP), and the different chambers—Cámara de Comercio, Cámara de Industrias—regularly meet with the president and government officials.

dilute popular demands by means of a tremendously complicated administration, which, incidentally, can lead to bureaucratic enclaves that breed the clientelistic networks. In the case of the economic and foreign policies, there are a few key positions and personalities that are given a great degree of liberty (the case of John Biehl, a Chilean college friend of Arias, who originated the Arias Peace Plan, is rather typical, as is that of Rodrigo Carazo, former president [1978-1982], politically opposed to the PLN but who is now helping to gather the Sandinistas and the Contras around the negotiation table).

Concerning the orientation of the economic policy, the evolution toward neoliberalism is quite clear, as it is in almost all of Latin America. The privatization of CODESA (Corporación Costarricense de Desarrollo) is a manifestation of the backing of the state-controlled economy. But for Costa Rica, this evolution could mean more than a simple reorientation of the economy caused by international pressures. Since 1948, the constant growth of the public sector has provided important upward social mobility, as well as an extension of the PLN's potential clientele.[12] The spoils system and corruption have allowed the PLN to reward its followers. If these mechanisms disappear, the state will have to face growing resentment from large sectors of the population. Nevertheless, because in the 1986 elections voters trusted the PLN to bury its own symbols, the country did not end up like the Uruguay of twenty years ago.[13]

Because the disarticulation of the social structure has not led to any social turmoil, the domination process must be very efficient in Costa Rica from at least three points of view: authority, legitimacy, and homogeneity of the actors involved in the process. The *conquistadores* dynasty, as Stone calls it,[14] was rather hegemonic until the beginning of this century. The nineteenth-century coffee Republic progressively opened up the system (direct vote in 1913, secret ballot in 1928), thanks to the clientele-controlled enfranchisement of the poor and the cost of education. The events of 1948 do not represent the accession to power of the middle sectors, as has often been claimed, but rather a violent shift in the development process that would incidentally favor the middle sectors.[15] There was indeed very little change in the power structure, proof of which was the fact that the bourgeoisie dropped its support of Calderón long before 1948.

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[12] The proportion of the active population employed in the public sector rose from 6.1 percent in 1950, to 18.4 percent in 1980.

[13] Concerning the 1986 election, see Olivier Dabène, "Les Elections du 2 février 1986 au Costa Rica: Continuités et Ruptures," *Problèmes d'Amérique Latine*, nº81 (1986): 3–20. During his campaign, Oscar Arias clearly announced some deregulation measures.

[14] Samuel Stone, *La dinastía de los conquistadores. Crisis del poder en la Costa Rica contemporánea* (San José: EDUCA, 1982).

[15] Jacobo Schifter calls Figueres's style an "authoritative transformism," in *La fase oculta de la Guerra Civil en Costa Rica* (San José: EDUCA, 1981).

It is also erroneous to speak of conflict between current factions in the bourgeoisie.[16] There is surely some disagreement about the appropriate economic policy to be followed, but a close look at the actors reveals a very homogeneous and well-integrated ruling class. Thanks to the system of joint stock companies, participation in chambers of commerce or industry, or even frequent changes of activity, elites constitute a social class united by cultural affinities and close ideological references.[17]

Rodrigo Madrigal Nieto, the current minister of foreign affairs (*canciller*), provides a rather typical example. His political evolution parallels that of the entire ruling class. In 1959, the same year the Law of Industrial Protection and Development was passed (by an anti-PLN president, Mario Echandi, and a PLN-dominated assembly), he was president of the Chamber of Industry. We can assume that he was at that time connected to the PLN. At present, he is involved in every important sector of the economy (press, trade, industry, finance, service). Between 1978 and 1982, he was president of the anti-PLN–dominated assembly and was close to president Carazo. In 1985, he made an important last-minute financial contribution to the Arias campaign and now supports the PLN again.

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The elements of the political formula that I have described, some of which stabilize the polity while others destabilize it, create the political stability of Costa Rica. The different contributions are summarized in figure 1:

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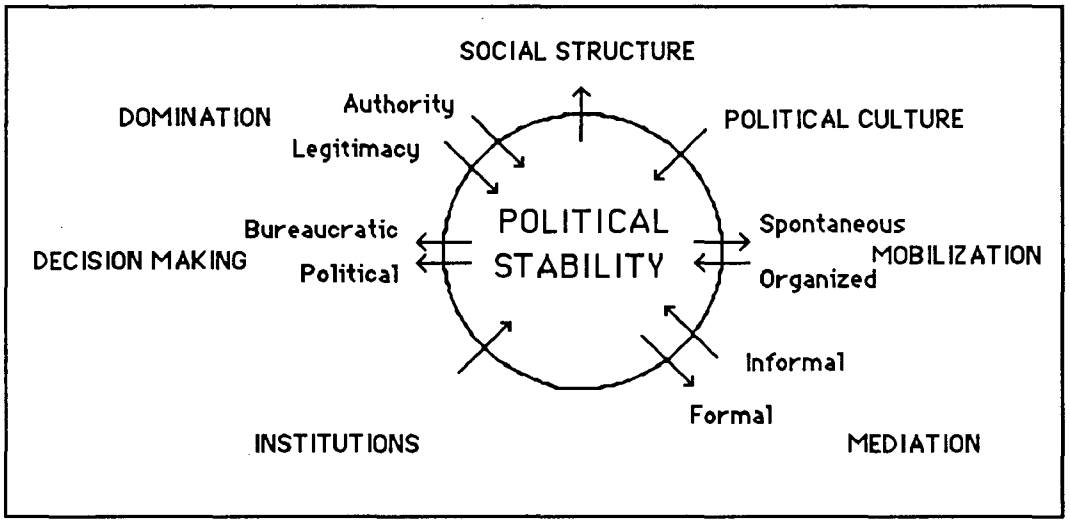
16 Following Nicos Poulantzas, a lot of Costa Rican sociologists tend to infer fractions of the bourgeoisie competing for hegemonic domination from the economic infrastructure. See for instance Ana Sojo, *Estado empresario y lucha política en Costa Rica* (San José: EDUCA, 1984).

17 A study of the list of the stockholders of the newspaper *La Nación*, of the members of different private chambers, and of the résumés of numerous government officials has allowed me to discover an informal network that constitutes the core of the ruling class.

Figure 1: Stabilizing (centripetal) and destabilizing (centrifugal) elements of the political formula



These elements interact in a complex way. The fragmented social structure is compensated for by a culture of compromise; organized mobilization in the form of a sacralization of the sociopolitical order tends to weaken spontaneous mobilization; underrepresentation of popular demands in pressure groups is softened by clientelistic networks; the disarticulated decision making process is balanced by the integrated and homogeneous domination process. These elements exist side by side with other more frequently mentioned components: the extension of the middle sectors thanks to redistributive policies; strong legitimacy resting on the commemoration of the regime's founder events; a two-party system allowing frequent opposition victories; paternalistic leaders; a self-effacing army; the structural support of the church; and the elites' accommodation.

Although it may seem that I take into account only the internal factors of stability, this is not exactly the case, since constant American influence is not neglected in my study. (How could it be, when the U.S. Embassy staff in San José grew from 35 persons in 1983 to 150 in 1985?) Nevertheless, because I am concerned for the moment with structural stability, and because I assume that American pressures are more relevant during certain historical periods, I shall keep my remarks on that topic for the last.

How does the political formula that I have outlined provide stability? If we emphasize the double dimension of the stability phenomenon—weak social tensions and an efficient domination process—there are two possible explanations.

First, social tensions produced by the rigidity of the social structure and producing spontaneous mobilizations are channeled, because demands are individually satisfied (clientelism, patronage, *compadrazgo*), or diluted by the numerous centers of political or bureaucratic decisions. In the latter case, confidence in the system's capacity to solve the social problems renders needless the mobilizations. In the former, the search for personal connections weakens the process of raising class consciousness.

Second, there is no struggle for control of the state apparatus among Costa Rican elites; each clique can get its share of power. Every administration respects the tradition of compromise, and no radical decision is ever taken (during the Monge administration [1982-1986] hardly any decision at all was taken).[18] The implementation of public policies is a very tortuous process in which the upper middle sectors controlling the bureaucracy can blackmail the government to better their position. The decision making structure is therefore totally deadlocked, and elites are forced to insist on symbolic domination, which is less restrictive and far more legitimate.

ORGANIZED MOBILIZATION

Among the different mechanisms of stability mentioned earlier, there is one of particular importance that is seldom analyzed, if not completely ignored: organized mobilization. A serious study of the literature about Costa Rica is quite interesting. The country is always presented as a kind of promised land where Rousseauist democracy can flourish. Indeed, in comparison with the rest of Central America, Costa Rica might appear to be a true paradise. Anthropologists have taught us, however, that every myth has a function. And if we recall the theorem of American sociologist W. I. Thomas that "if men define situations as real, they are real in their consequences," it seems obvious to me that in the Costa Rican case, the way the reality is presented has a regulatory function.

It has often been said that France was a "republic of discourses," and we know how the French Revolution transformed the struggle between interests trying to gain access to power into a struggle between discourses aimed at gaining legitimacy.[19] The civil war of 1948 in Costa Rica played a similar role. The events of 1948 are less important for the change in the power structure they led to,

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[18] Even the proclamation of neutrality was a nondecision in the sense that it revealed the wish to avoid taking a position on Central American issues.

[19] As François Furet put it in *Penser la Révolution Française*, Paris: Gallimard (1978).

however, than for the new interpretation of history they launched. The new "elite settlement"[20] did not concern the so-called middle-class access to power, but a new formula of legitimacy.[21] This new legitimating discourse relies on an interpretation of the country's history that stresses the democratic nature of the people through the idealized figure of the *labrador*. Since 1948, Costa Rica has extensively used political propaganda to reactivate permanent consensus. The exercise of democracy takes place in a constant setting with a variable scenario. Let us examine the different actors in this socialization process.

The main role belongs to the president. Venerated by all, including the opposition, he personalizes democracy. By traveling often across the country, or by giving speeches that are immediately printed in the newspapers or shown on television, he is very close to the people. The small size of the country helps a lot. Moreover, he almost always appears with the archbishop of San José and the American ambassador, so that the people can visualize the magic triangle "democracy-God–United States" that provides the country's stability. My analysis of presidential speeches shows that the sociopolitical order is sacralized in Costa Rica and the opposition considered to be anathema.[22] Democracy is the product of an irreversible evolution and reflects national culture. Democracy is therefore destiny.

The government also breeds official propaganda by never forgetting to publicize its policies. There is no "ministry of mobilization and human resource development" like in Jamaica during the Manley era, but the Ministry of Government and Police plays the same role of political education, thanks to the National Secretariat for Community Development (Dirección Nacional de Desarrollo Comunal, DINADECO), which controls a network of development associations throughout the country. The Ministry of Education provides another example. It is granted one-third of the national budget[23] and imposes on all schools a yearly program of civic acts (*actos cívicos*). Studying those acts, as well as

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20 "Elites settlements are relatively rare events in which warring national elite factions suddenly and deliberately reorganize their relations by negotiating compromises on their most basic disagreements". See Michael Burton and John Higley *Elite Settlements*, Texas Papers on Latin America, nº 87-01 (Austin: Institute of Latin American Studies, 1987). We might also use the concepts of "pact" or "Democratic Class Compromise," referring to the three characteristics stressed by Terry Karl: pacts are founding agreements, they have a rule-making character, and they are inclusionary. See Terry Karl, "Pacts and the Transition to Democracy in Latin America," paper presented at the Latin American Studies Association XIV International Congress, New Orleans (March 17–19, 1988).

21 Here I am using "political formula" as Mosca did. According to this author, "ruling classes do not justify their power exclusively by de facto possession of it, but try to find a moral and legal basis for it, representing it as the logical and necessary consequence of doctrines and beliefs that are generally recognized and accepte. This legal and moral basis, or principle, on which the power of the political class rests, is what we call the 'political formula.'" (Gaetano Mosca *The Ruling Class* [New York and London: Mc Graw-Hill Book Company, 1939], p. 70).

22 Analysis of twenty-eight presidential speeches given between June and September 1985, in Dabène, *La Formule Politique du Costa Rica.*

23 This percentage has been shrinking dramatically, however, from 37 percent in 1970 to 22 percent in 1982 and to 17 percent planned for 1988.

textbooks, I noted the evolutionary vision of history, especially in the presentation of the three most glorious dates: 1856 (victory over William Walker, defense of national integrity), 1889 (official birth of democracy), and 1948 (civil war to defend democracy).[24] Surely 1987 will now be added to this list as the year the rest of the world finally realized how exemplary Costa Rica is (recall that Costa Rica has been a candidate for the Nobel Peace Prize since 1982).

Cooperating with the president and the government, the private sector (which actually is almost part of the government) plays an important part in the process I am describing. Business associations are very active in financing civic information campaigns in the newspapers or on television. The principal organization, the Costa Rican Coalition of Initiatives for Development (Coalición Costarricense de Iniciativas de Desarrollo, CINDE), has a specific program called "Motivation and Communication," the purpose of which is to mobilize public opinion. The ideas that are put forward always mix references to democracy and to economic propositions (in 1985, for example, a slogan could be seen all over the country saying "Private business produces freedom"—"La empresa privada produce libertad").

All the pressure groups, political parties, and unions are also very active in producing propaganda. During an electoral campaign, speeches never refer to political or economic issues, but the competition is tough to sound more democratic than other candidates. Even the Communist party insists on the necessity of purifying Costa Rican democracy. Except on the plantations, unions also insist on being an essential component of democracy. And the recent development of the Solidarist Movement evidences a will to stick closer to the basics of democracy (social harmony, essentially).

It goes without saying that the media (newspapers, especially *La Nación*, radio, and television) are crucial to the propaganda process. They clearly consider themselves not only as vectors, but as sources of mobilization.

The people receive this flood of propaganda with great enthusiasm because it confirms their belief that Costa Rica is very much an Arcadia in Central America. Everybody in this country, from the *campesino* isolated in the mountains to the bank clerk in the capital, supports the regime and truly believes that no better system is possible.[25]

In short, everybody, from the top down, is active in this psychological war. This consensus can be affected from time to time, but Costa Rica verifies Merton's idea of the "self-fulfilling prophecy." The stability of a country rests directly on the shared belief that it can be nothing but stable. But at a

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[24] During the 1985 school year, forty-seven *actos cívicos* were staged, of which 24 percent concerned historical events and 17 percent social categories.

[25] Of course, we are talking here about a diffusive support to the democratic regime, not about specific support of an incumbent administration.

time when external threats are tragically real, a country has to develop a tremendous propaganda effort to avoid the "suicidal prophecy."

A last example of the role of words in politics concerns the overuse of the word *crisis*. The main vector of official propaganda, *La Nación*, acts sometimes as an avant-garde as far as the ideological orientation of the elites is concerned. To legitimate the neoliberal shift, *La Nación* , as well as the government, uses the rhetoric of crisis. In a study I did of the editorials published in *La Nación* in 1985, it was clear that the Central American geopolitical crisis was used to legitimate specific economic orientations.[26] The main idea was that communism in Nicaragua was so unpopular that all Nicaraguans were fleeing to Costa Rica and that the economy could not support such a burden.[27] An equation was formulated: Nicaragua = communism = refugees = economic weight = deficits, which makes austerity necessary.

In 1985, one editorial out of three was dedicated, directly or indirectly, to Nicaragua. Speaking more broadly, Nicaragua is part of a global vision of the world crisis situation. Costa Rica is in an economic, social, political, and moral crisis. The causes of the crisis are external aggression aggravated by internal destabilization. The symptoms are weakness of public policies and the ungovernability of the democracy. *La Nación* proposes a therapy for each cause and symptom of the crisis: the regional crisis will end with the defeat of the Sandinistas, and the internal destabilization with more efficient security forces. Concerning the economic crisis, "Reaganomics" is suggested as a cure.

Nevertheless, Costa Rican neoliberalism is very moderate, as is everything in this country, and that is why it is easily accepted. But overuse of the word *crisis* is confusing for the people who, in the end, do not know what crisis it is all about. They simply know that the country is in crisis. And they also know that Nicaragua is bad. The ruling class and *La Nación* have convinced everybody that the latter explains the former.

STABILITY, DEMOCRACY AND CRISIS

When we talk about crisis in Costa Rica, we must refer to two aspects that are intimately connected: the economic crisis, and the regional crisis. I shall confine myself here to a few remarks to correct some too-easily-accepted assertions.

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[26] Analysis of 334 editorials published between March 3 and November 19, 1985, in Dabène, *La Formule Politique du Costa Rica.*

[27] It is impossible to get an exact idea of the number of Nicaraguans living in Costa Rica. Propaganda referred to 250 000 Nicaraguans in Costa Rica in 1985 (10 percent of the total population), but the United Nations high commissioner for refugees registered only 30 000 refugees.

The political stability of contemporary Costa Rica (since 1948) is in many ways the consequence of the state-controlled economy. The developmental model has allowed the state to penetrate the society deeply and, therefore, gradually to open up the system (universal suffrage in 1948, compulsory voting in 1959, voting age lowered to eighteen in 1971, legalization of the Communist party in 1975) while controlling popular mobilization (repression of unions, strikes systematically declared illegal).

This pattern of a paternalistic democracy pleased everybody until 1976. In that year, it began to be obvious that the import-substituting economy of the Central American Common Market was not as promising as it has been ten years before. In Costa Rica, industrialists started to complain about the public absorption of available credits through CODESA (Corporación Costarricense de Desarrollo). The debate around CODESA is a very complex one, still not resolved. Suffice it to say that the private sector agreed to support CODESA's creation in 1972, providing that it got some benefits. When it became clear that CODESA was serving the PLN's political goal of building a mixed economy, the private sector switched its support to the opposition.[28] Nineteen seventy-six to 1986 can be considered, then, a period of transition during which the country avoided an evolution like the Uruguayan. (In 1966 Uruguay was in the middle of a similar crisis, and democracy broke down.) Two hypotheses can be forwarded to explain why Costa Rica's democracy remained stable.

First is the regional context. Costa Rica experiences a "Nicaraguan effect" but it does not affect it the way many people think it does. During the 1985 electoral campaign, in fact, a minister publicly admitted that the Sandinista revolution was very good business in that it brought $200 million a year in economic assistance, which represents roughly a tenth of Costa Rica's GNP and a third of its annual budget.[29] Another aspect of the Nicaraguan effect is the symbolic dimension. The media, which are very active in the diffusion of official propaganda, constantly project a misleading image of Nicaragua, so that the Costa Rican people feel very lucky to live in the "most wonderful democracy in the world." The legitimacy of the regime is therefore very much enhanced, as noted earlier.

Second are characteristics of domestic politics. In 1976, the private sector decided to shift its support to the anti-PLN coalition (that same year, the principal parties in the opposition signed the Pacto de Ojo de Agua and formed the Coalición Unidad); as a consequence, Rodrigo Carazo was elected in 1978. But Carazo's erratic economic policy did very little to serve the private sector's interests and actually precipitated the economic collapse. In 1982, the private sector turned again to the PLN. Monge, thanks to American assistance, stabilized the economic situation and was forced to terms by the private

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[28] See Mylena Vega, *El estado costarricense de 1974 a 1978 : CODESA y la fracción industrial* (San José: Hoy, 1982).

[29] Moreover, this economic assistance comes primarily as donations and not as loans (in 1985, 87 percent was given outright).

chambers, as we shall see in a moment. The 1986 election of Oscar Arias marked the victory of the private sector's conception of a more liberal economy, and many more businessmen, like Rodrigo Madrigal Nieto, are now part of the government. This reconciliation, or new elite settlement, helped by a renewal of the ruling stratum[30] could herald a new basis for consensus in Costa Rica.

It is important to understand two things. This change has indeed strengthened political stability,[31] but it has occurred in a way that leaves no doubt concerning the country's priority: stability. Let us detail the way in which a new elite settlement was achieved in 1984.

On November 7, 1983, the Union of Private Chambers (Unión Costarricense de Cámaras y Asociaciones de la Empresa Privada, UCCAEP) sent the president a "proposition for a socioeconomic pact". Its objective was to maintain the stabilization of the economy (decrease inflation, contract deficits) and to reactivate it (promote exports, attract investments), while distributing the eventual social costs equally. The proposed plan did not propose anything original; it was simply a proposal in the tradition of the *peticiones* that are regularly sent to the president. Between November 1983 and spring 1984, however, the private sector raised its voice, and the result was what is called a "coup d'état à la tica" (i.e., the Costa Rican way).

Increased internal and external tensions began 1984. Between December 1983 and June 1984, incidents on the border with Nicaragua were more numerous, which provoked violent anti-Communist media campaigns (*La Nación*). The American ambassador (Curtin Winsor), the private sector, and some ministers joined the media campaign. At the same time, the situation in the countryside was getting serious. In March 1984, a land invasion in the southwestern part of the country (including 400 families and 10,000 acres, of which only 250 were cultivated), was severely repressed by the Guardia Rural and led to one death and 700 arrests. A Communist plot was announced by the press, and the minister of public security, Angel Solano, in charge of the Guardia Civil, criticized the brutality of the Guardia Rural and publicly disagreed with the minister of government, Alfonso Carro, in charge of the latter, about the best way of handling a land invasion situation. During April, May, and June, there were more land invasions and here and there strikes (social workers, railway employees, even the *vendedores ambulantes*). In July, two important social conflicts further undermined the situation. July 10 began what would be the longest banana strike in history, with 3,000 workers involved on twenty-one

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30 Neither Oscar Arias nor Rafael Angel Calderón, the candidates in 1986, is a 1948 veteran. Therefore, they are not committed to the choices that were made at that time and can propose new ideas.

31 As Mitchell Seligson measured it, although he failed to note the qualitative evolution we just stressed. See Mitchell Seligson, "Political Support under Crisis Conditions : Costa Rica, 1978–1983," paper presented at the American Political Science Association, New Orleans, 1985.

plantations belonging to United Brands Company.[32] On July 16, another strike began, organized by the very powerful National Association of Educators (Asociación Nacional de Educadores, ANDE), which claims 30,000 members.

The situation was not all bad, however. On the northern border, the tension decreased. The attempt to kill Eden Pastora in La Penca in May 1984 led to a deep crisis inside ARDE (Alianza Revolucionaria Democrática), and Eden Pastora's resistance was paralyzed. The economic situation was also much better. The unemployment rate was down to 7.8 percent, compared to 9 percent the year before. Inflation, 33 percent in 1983, was down to 12 percent in 1984, and GNP reached an impressive 7.9 percent (2.7 percent in 1983). The hardening of the unions' and the business sector's attitudes was therefore only symbolic. With economic revival in sight, everybody was trying to channel the expected benefits.

On July 1, President Monge returned from a long trip to Europe. The same day, Vice-President Alberto Fait resigned to enter the race for nomination from the PLN. His resignation cost Monge a personality that had helped to maintain the cohesion of a government deeply divided by the ministers who favored a tough response to land invasions and social conflicts (e.g., Alfonso Carro), and those who were accused of weakness and complicity with the Communists (Fernando Berrocal, minister of the presidency, and Angel Solano, e.g.).

On July 11, UCCAEP sent the president documents "proving that some peasants' organizations and unions, with the collaboration of some government officials, are elaborating a plan for destabilizing the country."[33] Then on the eighteenth, the Chamber of Commerce sent an ultimatum to the president,[34] giving him one month to modify his economic policy substantially and to end the social turmoil. This ultimatum was really out of tune in the Costa Rican context, in the sense that, besides suggesting economic measures, it stressed political issues. The president was ordered to be more authoritative to fight the Communist destabilization plan, and an investigation of certain government officials was demanded as was the breaking off of diplomatic relations with Nicaragua. If nothing were done within thirty days, the chamber promised to take further steps to fight communism.

It was a tremendous change compared to the *petición* sent eight months earlier. It is worth noting, however, that the president of the Chamber of Commerce was the president of the Union of

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32 It remains to be seen to what extent this strike will further weaken the Left. When the workers ended the strike on October 11, not only had they not gotten the wage increases they were asking for, but they had lost about one million dollars. As far as the government was concerned, it had to face the intransigence of the unions and the company, both of which had an interest in a long conflict.

33 Centro de Estudios para la Acción Social (CEPAS), *Costa Rica: Balance de la situación* ,nº9 (1985): 4.

34 The text was published in *La Nación* (August 1, 1984).

Chambers, which sent the *petición* in November 1983. This change did not reflect any change in the private sector; it evidenced, rather, a significant shift for which the moment was perfect.

On August 8, Angel Solano, announced that the Guardia Civil was on alert because of rumors of a possible rightist coup. President Monge immediately denied the possibility and demanded the whole government's resignation. Solano and Berrocal became the victims of a cabinet reshuffle that brought into the administration a member of the Free Costa Rica Movement (Movimiento Costa Rica Libre, MCRL), Benjamín Piza, who took over the public security ministry.

Beyond the cabinet shuffle, the change was deep; we might even speak of a new elite settlement. The government declared a state of emergency on August 16 and sent three hundred civil guards to the south to take care of the banana workers' strike. From that point, the government began to look at the social movements as a matter of national security, not of social concerns. Economic policy also changed completely in that it was liberalized (with the progressive sale by auction of CODESA subsidiaries), and foreign policy evolved toward an alignment with the North American position (in 1985, twenty-four Green Berets organized the first U.S. military training camp on Costa Rican soil, only ten miles from the Nicaraguan border).

But even if democracy suffered somewhat, stability was preserved. A new settlement was reached between the PLN and the private sector after ten years of disagreement. That, combined with Arias's recent successes in foreign policy and strong internal propaganda, could provide the Costa Rican democratic regime with stability for quite a while.

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